



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

201345036

AUG 16 2013

Uniform Issue List: 403-05-00

T. EP: RA: T1

Legend:

Taxpayer A	=
Plan B	=
Company C	=
Account D	=
Financial Institution E	=
State F	=
Amount 1	=

Dear :

This letter is in response to a request for a letter ruling dated January 7, 2013, as supplemented by correspondence dated July 11, 2013, submitted on your behalf by your authorized representative, in which you request a waiver of the 60-day rollover requirement contained in section 402(c)(3)(B) of the Internal Revenue Code ("Code"), regarding the distribution of Amount 1 from Plan B.

The following facts and representations have been submitted under penalty of perjury in support of the ruling requested.

Taxpayer A represents that she received a distribution of Amount 1 from Plan B. Taxpayer A asserts that her failure to accomplish a rollover of Amount 1 within the 60-day period prescribed by section 402(c)(3) was due to an error by Company C which led to Amount 1 being deposited into a non-IRA account. Taxpayer A further represents that Amount 1 has not been used for any purpose.

Taxpayer A was employed as a school teacher in State F and participated in Plan B, an annuity plan maintained pursuant to section 403(b) of the Code. In 2010, Taxpayer A retired. Coinciding with her retirement, Taxpayer A met with a representative of Company C to discuss financial and retirement planning. With the assistance of Company C, Taxpayer A opened Account D with Financial Institution E. Taxpayer A intended that Account D be an Individual Retirement Account (IRA) and communicated her desire to Company C. On July 1, 2010, Taxpayer A received a distribution check from Plan B totaling Amount 1. While Company C prepared to establish an IRA for Taxpayer A, due to a clerical error, Financial Institution E opened Account D, a non-IRA account. Included with the ruling request is Company C internal documentation that Amount 1 was to be deposited into an IRA. In addition, a letter from Company C acknowledging its error was submitted with the ruling request. The error was discovered in 2012 when Taxpayer A received a deficiency notice from the Internal Revenue Service.

Based on the above facts and representations, you request that the Internal Revenue Service ("Service") waive the 60-day rollover requirement contained in section 402(c)(3)(A) of the Code with respect to the distribution of Amount 1.

Section 403(b)(8) of the Code generally provides that the rules of section 402 apply to distributions from plans maintained pursuant to section 403.

Section 402(c) of the Code provides that if any portion of the balance to the credit of an employee in a qualified trust is paid to the employee in an eligible rollover distribution, and the distributee transfers any portion of the property received in such distribution to an eligible retirement plan, and in the case of a distribution of property other than money, the amount so transferred consists of the property distributed, then such distribution (to the extent transferred) shall not be includible in gross income for the taxable year in which paid. Section 402(c)(3)(A) of the Code states that such rollover must be accomplished within 60 days following the day on which the distributee received the property. An individual retirement account (IRA) constitutes one form of eligible retirement plan.

Section 402(c)(4) of the Code provides that an eligible rollover distribution shall not include any distribution to the extent such distribution is required under section 401(a)(9).

Section 402(c)(3)(B) of the Code provides, in relevant part, that the Secretary may waive the 60-day requirement under section 402(c) of the Code where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement. Only distributions that occurred after December 31, 2001, are eligible for the waiver under section 402(c)(3)(B) of the Code.

Rev. Proc. 2003-16, 2003-4 I.R.B. 359 (January 27, 2003) provides that in determining whether to grant a waiver of the 60-day rollover requirement pursuant to sections 408(d)(3)(I) and 402(c)(3)(B) of the Code, the Service will consider all relevant facts and circumstances, including: (1) errors committed by a financial institution; (2) inability to complete a rollover due to death, disability, hospitalization, incarceration, restrictions imposed by a foreign country or postal error; (3) the use of the amount distributed (for example, in the case of payment by check, whether the check was cashed); and (4) the time elapsed since the distribution occurred.

The information presented and the documentation submitted by Taxpayer A is consistent with her assertion that her failure to accomplish a timely rollover of Amount 1 was due to an error by Company C.

Therefore, pursuant to section 402(c)(3)(B), the Service hereby waives the 60-day rollover requirement with respect to the distribution of Amount 1 from Plan B. Provided all other requirements of section 402(c) of the Code, except the 60-day requirement, are met with respect to such contribution, the contribution will be considered a rollover contribution within the meaning of section 402(c) of the Code.

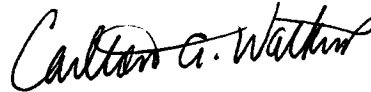
This ruling does not authorize the rollover of amounts that are required to be distributed by section 401(a)(9) of the Code.

No opinion is expressed as to the tax treatment of the transaction described herein under the provisions of any other section of either the Code or regulations which may be applicable thereto.

This letter is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

A copy of this letter ruling has been sent to your authorized representative pursuant to a power of attorney on file in this office. If you wish to inquire about this ruling, please contact (I.D. #), at () .

Sincerely yours,



Manager
Employee Plans Technical Group 1

Enclosures:

Deleted Copy of this Letter
Notice of Intention to Disclose, Notice 437

cc: